

UTAH STATE TAX COMMISSION
NOTICE OF PROPOSED NEW RULE OR RULE CHANGE

The proposed rules were submitted to the State of Utah Division of Administrative Rules on July 6, 2009.

Proposed Rules or Change:

Rule Number: R861-1A-44

Title: Definition of Delivery Service Pursuant to Utah Code Ann. Section 59-1-1404.

Summary: **The proposed rule indicates the entities that meet the IRS definition of “delivery service.**

Rule Number: R865-6F-34

Title: Qualified Subchapter S Subsidiaries Pursuant to Utah Code Ann. Section 59-7-01

Summary: **Rule is repealed from corporate tax rules and moved to individual income tax rules.**

Rule Number: R865-6F-35

Title: S Corp Determination of Tax Pursuant to Utah Code Ann. Section 59-7-703.

Summary: **Rule is repealed from corporate tax rules and moved to individual income tax rules.**

Rule Number: R865-9I-13

Title: Non-Resident’s Share of Partnership or Limited Liability Company Income Pursuant to Utah Code Ann. Sections 59-10-116, 59-10-117, 59-10-118, and 59-10-1405.

Summary: **The amended rule indicates how a pass-through entity that is not an S corporation will determine the tax to withhold on its nonresident pass-through entity taxpayers.**

Rule Number: R865-9I-54

Title: Determination of Amounts Withheld by a Pass-Through entity that is an S Corporation Pursuant to Utah Code Ann. Section 59-10-116, 59-10-117, 59-10-118, 59-10-1403.2, and 59-10-1405.

Summary: **The proposed rule takes the language of R865-6F-35, which is repealed, and brings it into the individual income tax rules, since an S Corp is now treated as a pass-through entity under the individual income tax chapter of Title 59.**

Rule Number: R865-9I-55

Title: Qualified Subchapter S Subsidiaries Pursuant to Utah Code Ann. Section 59-10-1403.

Summary: **The proposed rule takes the language of R865-6F-34, which is repealed, and brings it into the individual income tax rules, since an S Corp is now treated as a pass-through entity under the individual income tax chapter of Title 59.**

Rule Number: R865-12L-17

- Title:** Procedures for the Administration of the Tourism, Recreation, Cultural and Convention Facilities Tax Pursuant to Utah Code Ann. Sections 59-12-602 and 59-12-603.
- Summary:** **Proposed amendment clarifies that tourism, recreation, cultural, and convention facilities tax is imposed on alcoholic beverages, food and food ingredients, and prepared food.**
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- Rule Number:** R865-19S-58
- Title:** Materials and Supplies Sold to Owners, Contractors and Repairmen of Real Property Pursuant to Utah Code Ann. Sections 59-12-102 and 59-12-103.
- Summary:** **The proposed amendment deletes language that treats built-in appliances as real property.**
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- Rule Number:** R865-19S-107
- Title:** Reporting of Exempt Sales or Purchases Pursuant to Utah Code Ann. Section 59-12-105.
- Summary:** **Rule is repealed since underlying statutory language has been repealed.**
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- Rule Number:** R877-23V-8
- Title:** Signs and Identification Pursuant to Utah Code Ann. Section 41-3-105.
- Summary:** **The proposed amendment adds “distributor” to the list of licensees required to post a sign at the licensee’s principal place of business.**
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- Rule Number:** R877-23V-12
- Title:** Documents Required Prior to Issue of a License Pursuant to Utah Code Ann. Section 41-3-105.
- Summary:** **The proposed amendment updates the documents a distributor must provide to receive a motor vehicle distributor license in Utah.**

The Public comment on these rules will end on 08/31/2009. These proposed rules were published in the Utah State Bulletin and posted on our website at www.tax.utah.gov.

Public comments on these rules can be addressed to the attention of Commissioner Dixon and emailed to taxrules@utah.gov, faxed to 801-297-3919, or mailed to The Office of the Commission, Utah State Tax Commission, 210 N. 1950 W. Salt Lake City, Utah 84134. For questions, please call Cheryl Lee at 297-3900. Full text of rules can be found at www.tax.utah.gov. If you would like to receive notice of future rule items, email clec@utah.gov with your name, email address and request to be added to the Tax Commission rules list server.

Those who need special accommodations in accordance with the American Disabilities Act may call (801) 297-3811. Please give up to three working days notice to arrange accommodations. Hearing impaired callers may call the Telecommunication Device for the Deaf (TDD) at (801) 297-3819.

A copy of this notice was posted in the front foyer of the Tax Commission Building, Salt Lake City, Utah and on the Tax Commission Website at www.tax.utah.gov. The Commission public information officer also provided copies of this notice for the news media via electronic transmission.

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